

# NSIPS—Blended Retirement System Service Member Self-Service Capability

WNFY NSIPS BRS Service Member — Issue 2 - April 2018

#### What's Changing?

#### **New Blended Retirement System**

A new Blended Retirement System (BRS) went into effect January 1, 2018. New accessions, on or after January 1, 2018, are automatically enrolled in the new BRS. Everyone currently serving in the Uniformed Services as of December 31, 2017 will be grandfathered under their current retirement system. Active Component service members with less than 12 years of service and Reserve Component service members with less than 4,320 retirement points as of December 31, 2017 will have the choice to stay with the legacy retirement system or opt into the new BRS.

#### **New NSIPS BRS Member Self-Service Capability**

The Navy Standard Integrated Personnel System (NSIPS) is being expanded to provide IT capability for service members to complete many of the required BRS lifecycle events shown in the below BRS process flow diagram. Processes designated green will be performed in NSIPS. Highlights of each event are provided in this WNFY for general awareness. Job Performance Aids (JPAs) providing step by step instructions for completing NSIPS BRS self-service actions are available in NSIPS for training and help. (See Page 3 for access instructions.)

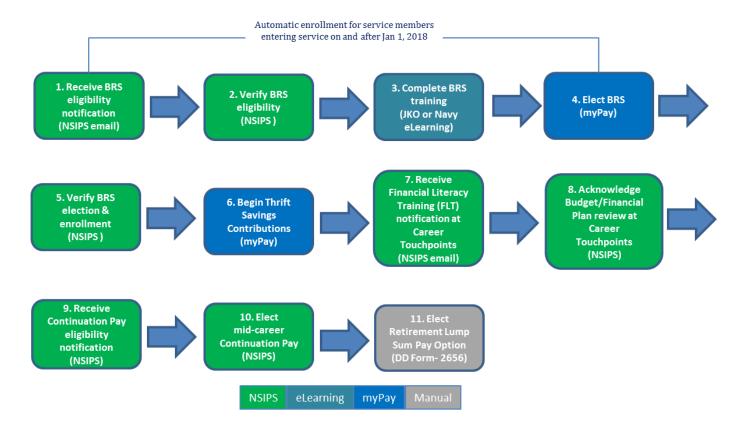


Figure 1 - BRS Lifecycle Events for Navy Service Members

#### **NSIPS BRS Member Self-Service**

#### Capability

The following Member Self-Service actions will be performed in NSIPS throughout a service member's career:

- View Blended Retirement Status
- View/Print BRS Eligibility Notification Letter
- Acknowledge Budget/Financial Plan review at career touchpoints
- View/Print Continuation Pay Notification Letter
- Complete Continuation Pay Election

#### **Availability**

NSIPS BRS system functionality was deployed with NSIPS 1.4.11.1 Release on December 7, 2107. Service members now have access to the BRS module to view their BRS status, verify BRS election, elect Continuation Pay, and acknowledge review of their Budget/Financial Plan required at designated career touchpoints. Note: At various career touchpoints, (e.g. PCS orders, promotions, and major life events such as marriage) all service members are directed to review/update their personal Budget/Financial Plan. Upon completing the review, all service members, regardless of enrollment in BRS or in the legacy retirement system, must acknowledge their review/update in NSIPS BRS (Budget/Financial Review tab).

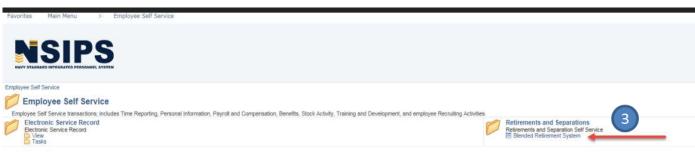
NSIPS is currently sending BRS Opt-In eligibility email notifications to service members meeting the Opt-In criteria (Active Duty service members with less than 12 years of service or Reserve service members with less than 4,320 retirement points as of December 31, 2017).

NOTE: Service members must have a valid email address in NSIPS to receive BRS Opt-In eligibility notification. If you are not receiving NSIPS emails, and believe you meet the Opt-In eligible criteria, contact your Command Career Counselor or Command Pay and Personnel Administrator.

#### Access

- 1 To access BRS Member Self-Service capabilities: Login to NSIPS https://nsipsprod.nmci.navv.mil
- Select Employee Self-Service link under the NSIPS Main menu.
- 3 Select Blended Retirement System link under the Retirement and Separations folder.





#### **Training & Help**

- Detailed step-by-step instructions for completing BRS self-service actions in NSIPS may be accessed via the BRS Job Performance Aid (JPA) link under the Training Section located on the NSIPS homepage.
- A general overview of BRS capabilities for service members and other BRS users can be accessed via the What's New for You? (WNFY) link under User Information Section on NSIPS Homepage.



#### Help NSIPS Help Desk

Toll Free: 877-589-5991. Comm: 504-697-5442. DSN: 312-647-5442.

Email: NSIPShelpdesk@navy.mil.

#### **BRS Service Member Lifecycle Events**

#### Step 1 - Receive BRS eligibility notification

- 1. Ensure email address is updated in NSIPS
- 2. Receive NSIPS email

NOTE: Monthly reminder emails will continue until the service member enrolls in BRS or their eligibility window expires.

"...Our records indicate you have the opportunity to make this choice because you had fewer than 12 years of service or had fewer than 4,320 retirement points as of December 31, 2017.

This new plan represents a significant change from the current military retirement as Service Members will now be eligible to receive government contributions to their Thrift Savings Plans in exchange for a reduced pension upon retirement. While you have a choice to make, it is important to note that you remain covered under your current retirement plan unless you choose to switch. You will not be automatically moved to the Blended Retirement System.

No action is required if you choose not to elect to opt-in to the Blended Retirement System.

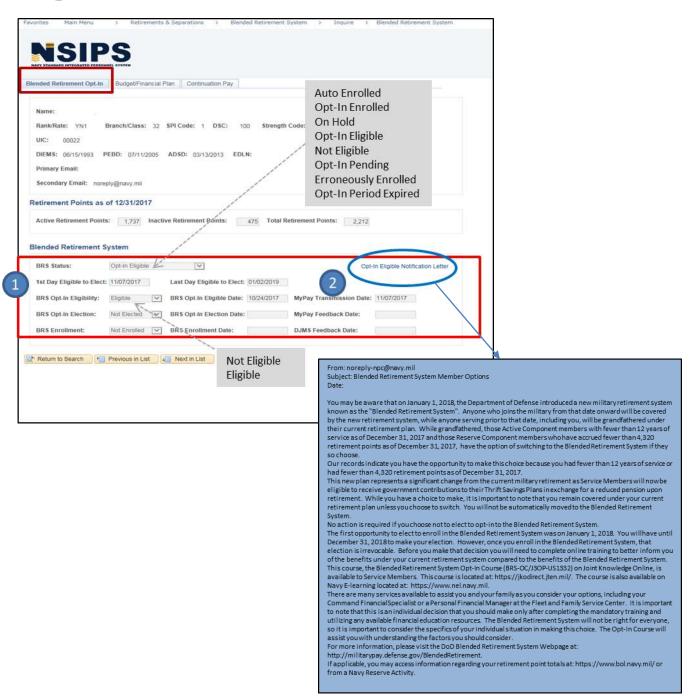
The first opportunity to elect to enroll in the Blended Retirement System was on January 1, 2018. You will have until December 31, 2018 to make your election. However, once you enroll in the Blended Retirement System, that election is irrevocable. Before you make that decision you will need to complete online training to better inform you of the benefits under your current retirement system compared to the benefits of the Blended Retirement System. This course, the Blended Retirement System Opt-In Course (BRS-OC/J3OP-US1332) on Joint Knowledge Online, is available to Service Members. This course is located at: https://jkodirect.jten.mil/. The course is also available on Navy E-learning located at: https://www.nel.navy.mil..."

3.Obtain additional BRS information on Navy Blended Retirement System Webpage at:

http://www.public.navy.mil/bupers-npc/support/21st Century Sailor/ readiness/Pages/Personal-Financial-Management.aspx

#### Step 2 - Verify BRS eligibility

- Verify BRS Status and Opt-In Eligibility in NSIPS (Blended Retirement Opt-In Tab)
- View/Print BRS Eligibility Notification Letter



#### **Step 3 - Complete BRS training**

1. Complete BRS Opt-in Course via Joint Knowledge Online (JKO) or Navy eLearning



- JKO- <a href="https://jkodirect.jten.mil/">https://jkodirect.jten.mil/</a> (Course Number: BRS-OC/J3OP-US1332)
- Navy eLearning <a href="https://www.nel.navy.mil">https://www.nel.navy.mil</a> (JKDDC-BRS-OPT-IN-1.0)
  Note: Once in NeL, select "Course Catalog" then search "BRS" in the title block.
- 2. Complete Budget/Financial Plan and determine if BRS is in your best interest
  - Meet with Personal Financial Manager
  - Access BRS Comparison Calculator

NOTE: A financial planning worksheet is available via the Commander, Navy Installations Command (CNIC) personal planning finances Web page at:

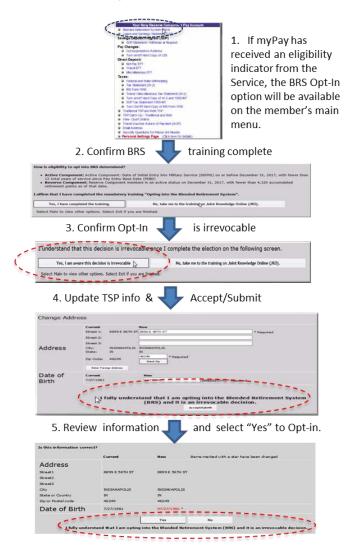
http://gowifilive.com/uploads/Navy%20eFPW%202017%20(30Dec2016).xlsm

#### Step 4 - Elect BRS

**❖NOTE**: Members that do not want to Opt-In to BRS do not need to do anything. No action is required in myPay to remain in the current legacy retirement system.

- 1. Make election in myPay <a href="https://mypay.dfas.mil/mypay.aspx">https://mypay.dfas.mil/mypay.aspx</a>
- 2. After logging into myPay, members must complete a series of steps to complete the Opt-In Process.

NOTE: The decision to Opt-In to BRS is irrevocable (cannot Opt-Out of BRS once enrolled).



A DFAS video of the myPay Opt-In process is available on the OSD BRS webpage: <a href="http://militarypay.defense.gov/BlendedRetirement/">http://militarypay.defense.gov/BlendedRetirement/</a>

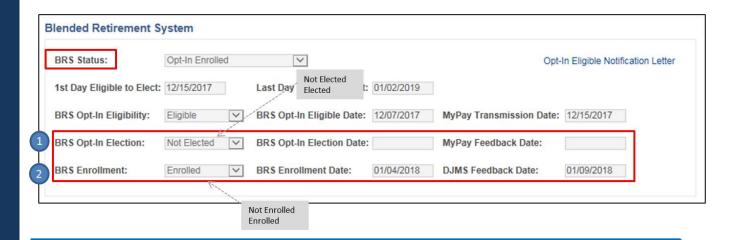
#### Step 5 - Verify BRS election & enrollment

- Verify Opt-In Election status in NSIPS (Blended Retirement Opt-in Tab)
- Verify BRS Enrollment status

  Note: After electing BRS in myPay, it is possible a service member may initially see their BRS Enrollment

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Note: After electing BRS in myPay, it is possible a service member may initially see their BRS Enrollment status in NSIPS updated to "Enrolled" while still indicating an Opt-In Election status as "Not Elected." This is due to separate DoD systems updating NSIPS at different times. The updates should be correctly aligned (Opt-In "Elected" and BRS "Enrolled") within 30 days of BRS election in myPay.



### **Step 6 - Begin Thrift Savings contributions**

- Service members in BRS will automatically receive 1% base pay in TSP
  - For Opt-in members this will begin the next pay period after Opt-In
  - For New Accessions on or after January 1, 2018 this will begin 60 days after entering into service
- 2. Service members will be eligible for matching funds up to an additional 4% base pay after completing 2 years of service.
- Total government TSP funding can reach 5% base pay (1% automatic + 4% matching).

TSP Vesting

#### 1% Automatic Matching vested begins vested begins Opt-In Members immediately 2 years immediately Serving as of next pay period after opt-in December 31, 2017 1% Automatic Matching begins vested begins vested New Accessions Who 60 days 2 years 2 years 2 years Join on or after January 1, 2018

1...vested means it's yours to keep even after you leave the service.

# Step 7 - Receive Financial Literacy Training (FLT) notification at Career Touchpoints

- Ensure email address is updated in NSIPS
- 2. Receive notification of required financial literacy training in NSIPS email

Per the Financial Literacy Requirements in the Fiscal Year 2016 National Defense Authorization Act (NDAA), this notification is sent to inform you that based on a current life event (touch-point):

- a. First Duty Station/Initial Drill
- b. Deployment/Mobilization
- c. Vested at Completion of 2 Years of Service
- d Promotion
- e. Major Life Events (marriage, divorce, birth of first child, disabling sickness or condition)
- f. Entitled to Continuation Pay
- g. Change of Duty Station
- h. Retirement/Separation

Whether you are enrolled in the Blended Retirement System (BRS) or the legacy retirement system, you are required to complete the appropriate financial literacy training, and to review your budget/financial plan and acknowledge such in NSIPS (Budget/Financial Plan tab in the Blended Retirement System section). Please consult your Command Financial Specialist or a Personal Financial Manager at the Fleet and Family Support Center at your earliest opportunity to obtain the required training. The Navy Financial Literacy mobile application includes a checklist of required financial literacy training topics for each touch-point. The financial planning worksheet is available via the Commander, Navy Installations Command (CNIC) personal planning finances Web page at: http://gowifilive.com/uploads/Navy%20eFPW%202017%20(30Dec2016).xlsm.

NOTE: As mentioned in the above financial literacy notification email, financial literacy training and acknowledgement of your budget/financial plan review in NSIPS is required whether you are enrolled in the Blended Retirement System (BRS) or the legacy retirement system.



The Navy Financial Literacy mobile application includes a checklist of required financial literacy training topics for each touchpoint.

## Step 8 - Update Budget and Financial Plan at Career Touchpoints

- 1 Update Budget and Financial Plan at Career Touchpoints (offline activity not performed in NSIPS)
- Acknowledge Budget and Financial Plan Reviewed (Budget Financial Plan Tab)
- 3 Select appropriate touchpoint in the Reviewed Based On dropdown menu
- Save



#### Step 9 - Receive Continuation Pay eligibility notification

- 1. Ensure email address is updated in NSIPS
- 2. Receive Continuation Pay eligibility notification letter in NSIPS email

This email is to inform you that you have been identified as eligible to receive Continuation Pay.

The Navy Standard Integrated Personnel System (NSIPS) indicates that you are enrolled in the Blended Retirement System (BRS) and are eligible for Continuation Pay (CP). Under BRS you may be eligible for CP at 12 Years of Service (YOS) based on your PEBD. CP is a one-time, mid-career incentive payment in exchange for an agreement to perform four years of additional obligated service. This one-time payment is in addition to any other career field-specific incentives or retention bonuses. Important elements in determining whether you are entitled to CP are:

- a. Your eligibility to remain in the service at the time of payment.
- b. Your agreement to serve an additional four years of obligated service.
- c. If you are a reservist, your status as a member in a paid status upon completion of 12 YOS and your recommendation for retention in the Selected Reserve.

There are three CP payment options to choose from:

a. A single lump sum payment b. Two annual payments (50%, 50%) c. Four annual payments (25%, 25%, 25%, 25%) CP is subject to federal and state tax.

The election to receive CP must be made in NSIPS BRS (Continuation Pay tab) and before you complete 12 YOS (based on your PEBD). Your command is standing by to assist you with your CP election. Please make an appointment with your CCC or CFC as soon as you are ready to begin the CP election process.

If you elect to receive CP in addition to any other bonus, incentive, or special pay; your agreement to remain on active duty for four additional years may run consecutive or concurrent depending on the structure of the other contract, extension, or obligation you may have incurred. If you do not complete four additional years of obligated service after receiving the CP, any unearned portion of the CP will be subject to recoupment by the U.S. government.

Your CP election is considered to be effective and irrevocable on the 12th anniversary of your active or reserve duty based on your PEBD.

To learn more about CP, the DOD has an informative website that discusses BRS and more specifically CP. The site includes an interactive retirement calculator to help you decide whether to elect CP and commit to four more years in the Navy. You are encouraged to explore the web site at:

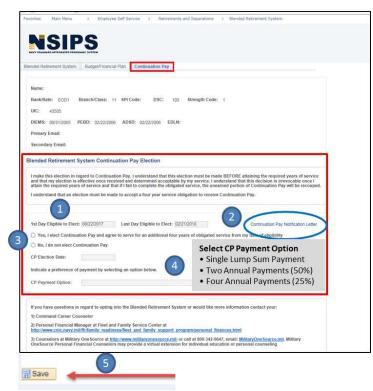
http://militarypay.defense.gov/BlendedRetirement/ and discuss your alternatives with your family.

Note: The CP eligibility notification email will be sent to a member up to three times when a member is enrolled in BRS, has not made a CP Election, and the current date is equal to the service member's Pay Entry Base Date (PEBD) plus: 11 years and 6 months, and 11 years and 9 months, and 11 years and 11 months.

#### **Step 10 - Elect Mid-career Continuation Pay**

- 1 Verify Continuation Pay eligibility in NSIPS (Continuation Pay Tab)
  - First day to elect is 11 years 6 months after PEBD
  - Election must be made prior to entering the first day of 12<sup>th</sup> year of service.
- View/Print Continuation Pay Notification Letter
- 3 Indicate CP Election (YES or NO)
- 4 If elected, select payment option
  - Single Lump Sum Payment
  - Two Annual Payments (50%)
  - Four Annual Payments (25%)
- Save

Note: If a service member is unsure of the amount of Continuation Pay they will be paid at 12 YOS, it is recommended they contact their Command Career Counselor or Command Financial Specialist.



Continuation Pay election obligates the service member to four additional years of service.

#### **Step 11 - Elect Retirement Payment option**

- 1. Select retirement pay option by completing DD Form-2656
  - First day to elect is 1 year before approved retirement date
  - Last day to elect is 90 days before approved retirement date

#### **Options**

- > Full Monthly Retirement Pay (default)
- Lump Sum Payment (50/50)\*
- Lump Sum Payment (25/75)\*

\*Disbursement options for lump sum portion:

- Single Lump Sum Payment
- Two Annual Payments (50%)
- Four Annual Payments (25%)

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**Prepared by:** PMW 240 Enterprise Change Management (ECM) Team.

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